
HOUSE BILL No. 1904

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-9-34.

Synopsis: Noblesville entertainment facility parking tax. Allows Noblesville to impose a city entertainment facility parking tax of \$1 on each motor vehicle entering an event at a privately owned outdoor entertainment facility having a minimum capacity of 10,000 patrons. Requires the facility to collect and remit the parking tax monthly to the city as an agent for the city. Requires the city fiscal officer to establish an entertainment facility public infrastructure fund and deposit all revenue from the tax in the fund. Provides that the fund may be used only to pay: (1) the cost of constructing or improving public roads to improve access to the facility; (2) principal, interest, and other costs associated with bonds issued to pay for the construction or improvements; and (3) any access or connection fee imposed on the facility for access to the city's public sewer system. Requires collection of the tax: (1) during the first five calendar years following the adoption of the ordinance imposing the tax; or (2) until any bond or lease obligations incurred by the city to finance the road improvements are satisfied; whichever is later. Allows the city to adopt an ordinance to renew the tax for up to an additional five years, or until all bond or lease obligations are satisfied. Allows the city to impose the renewed tax in an amount of up to \$2 per vehicle if it invests at least \$4,000,000 in constructing additional public roads to improve access to the facility.

Effective: July 1, 2003.

Richardson

January 23, 2003, read first time and referred to Committee on Ways and Means.



C
o
p
y

First Regular Session 113th General Assembly (2003)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2002 Regular or Special Session of the General Assembly.

HOUSE BILL No. 1904

A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 6-9-34 IS ADDED TO THE INDIANA CODE AS
2 A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY
3 1, 2003]:

4 **Chapter 34. Noblesville Entertainment Facility Parking Tax**

5 **Sec. 1. This chapter applies to a city having a population of**
6 **more than twenty-eight thousand (28,000) but less than**
7 **twenty-eight thousand seven hundred (28,700).**

8 **Sec. 2. As used in this chapter, "event" refers to an event**
9 **described in section 7(a) of this chapter.**

10 **Sec. 3. As used in this chapter, "facility" refers to a facility**
11 **described in section 7(a)(1) of this chapter.**

12 **Sec. 4. As used in this chapter, "fund" refers to the**
13 **entertainment facility public infrastructure fund established by the**
14 **city fiscal officer under section 10 of this chapter.**

15 **Sec. 5. As used in this chapter, "motor vehicle" means any**
16 **motor vehicle used to transport one (1) or more individuals to an**
17 **event at a facility described in section 7(a)(1) of this chapter. The**



C
o
p
y

term includes a car, bus, school bus, recreational vehicle, motorcycle, moped, or motorized scooter.

Sec. 6. As used in this chapter, "tax" refers to the city entertainment facility parking tax imposed by a city under section 7 of this chapter.

Sec. 7. (a) Except as provided in subsection (b), after June 30 of a year but before January 1 of the following year, the fiscal body of the city may adopt an ordinance to impose an excise tax, known as the city entertainment facility parking tax, for the privilege of attending any event:

(1) held in a privately owned outdoor entertainment facility that has a minimum capacity of at least ten thousand (10,000) patrons;

(2) to which tickets are offered for sale to the public by:

(A) the box office of the facility; or

(B) an authorized agent of the facility; and

(3) for which the facility charges a fee for parking on land owned, leased, controlled, or used by the facility.

(b) The excise tax imposed under subsection (a) does not apply to the following:

(1) An event sponsored by an educational institution or an association representing an educational institution.

(2) An event sponsored by a religious organization.

(3) An event sponsored by an organization that is considered a charitable organization by the Internal Revenue Service for federal tax purposes.

(4) An event sponsored by a political organization.

(c) If the fiscal body adopts an ordinance under subsection (a), the tax first applies to the admission of motor vehicles at events that occur after December 31 of the calendar year in which the ordinance is adopted. Except as provided in section 11 of this chapter, the tax terminates and may not be collected at events that occur after:

(1) December 31 of the fifth calendar year following the calendar year in which the ordinance is adopted; or

(2) the city has satisfied any outstanding obligations described in section 10(c)(2) of this chapter;

whichever is later.

Sec. 8. (a) If an ordinance is adopted under section 7 of this chapter, a city entertainment facility parking tax in the amount of one dollar (\$1) is due for each motor vehicle that enters the facility or is parked on land described in section 7(a)(3) of this chapter for

C
O
P
Y



an event.

(b) The facility shall designate and employ agents at each event to collect the tax from the driver or another occupant of each motor vehicle entering the facility. The agents designated to collect the tax may be the same agents or employees who collect parking fees.

Sec. 9. (a) If the city fiscal body adopts an ordinance under section 7 of this chapter, the ordinance must require the facility to:

(1) report the tax collected on forms approved by the city fiscal body; and

(2) remit the tax collected monthly to the city fiscal officer not more than twenty (20) days after the end of the month during which the tax is collected.

(b) The facility is the agent of the city for collecting and remitting the tax imposed under this chapter. The facility holds the taxes in trust for the city and the facility and any of its agents responsible for collecting the tax are personally liable for the payment of the taxes, plus any interest attributable to the taxes, to the city. Any individual who:

(1) is responsible for collecting or remitting the taxes on behalf of the facility; and

(2) knowingly fails to collect the tax or remit the tax to the city;

commits a Class D felony.

(c) The city fiscal officer has the same rights and powers with respect to collecting the city entertainment facility parking tax as the department of state revenue has with respect to collecting any tax:

(1) that is imposed by a unit under IC 6-9; and

(2) the collection of which is vested in the department of state revenue under an ordinance adopted by the unit under IC 6-9.

Sec. 10. (a) The city fiscal officer shall establish an entertainment facility public infrastructure fund. The city fiscal officer shall deposit in the fund all taxes remitted by the facility under this chapter.

(b) Money earned from the investment of money in the fund becomes a part of the fund.

(c) Money in the fund may be used by the city only for the following:

(1) Costs to construct, reconstruct, or improve public thoroughfares or highways to improve ingress or egress to and from the facility.

C
o
p
y



(2) Payment of principal and interest on bonds issued, or lease rentals on leases entered into, by the city to finance the:

(A) construction, reconstruction, or improvement of public thoroughfares or highways under subdivision (1); or

(B) construction of additional public thoroughfares or highways under section 11(b)(1) of this chapter.

Costs payable under this subdivision include costs of capitalized interest and legal, accounting, and other costs incurred in the issuance of any bonds or the entering into of any leases.

(3) Payment of any access or connection fee imposed on the facility for access to the city's public sewer system, as long as the fee applies to all property owners served, and is uniformly assessed, within the city's corporate boundaries.

Sec. 11. (a) The city fiscal body may, after June 30 but before December 31 of the fifth calendar year following the calendar year during which an ordinance was adopted under section 7 of this chapter, adopt an ordinance to extend the collection of the tax at the facility beyond the date allowed under section 7(c) of this chapter:

(1) for up to an additional five (5) calendar years; or

(2) until the city has satisfied any outstanding obligations described in section 10(c)(2) of this chapter;

whichever is later. Subject to subsection (b), in an ordinance adopted under this subsection, the city fiscal body may specify the amount of the tax, not to exceed two dollars (\$2), to be collected by the facility at events that occur after December 31 of the fifth calendar year following the calendar year during which the original ordinance was adopted under section 7 of this chapter.

(b) The city fiscal body may increase the amount of the tax to an amount greater than one dollar (\$1) in an ordinance adopted under subsection (a) only if:

(1) the city constructs, or contracts for the construction of, additional public thoroughfares or highways to further improve ingress or egress to and from the facility; and

(2) the total costs, including costs for design, construction, and the acquisition of rights-of-way, incurred under subdivision (1) exceed four million dollars (\$4,000,000).

(c) The city fiscal body must provide the facility with notice and an opportunity to be heard before adopting an ordinance under this section. An ordinance adopted under this section takes effect on January 1 of the sixth calendar year following the calendar year

C
o
p
y



1 during which the original ordinance was adopted.

2 **Sec. 12.** The city fiscal body may enter into any agreement or
3 contract with the facility to facilitate the administration of an
4 ordinance adopted under this chapter.

5 **Sec. 13.** With respect to:

6 (1) bonds, leases, or other obligations to which the city has
7 pledged revenues under this chapter; and

8 (2) bonds issued by a lessor that are payable from lease
9 rentals;

10 the general assembly covenants with the city and the purchasers or
11 owners of the bonds or other obligations described in this section
12 that this chapter will not be repealed or amended in any manner
13 that will adversely affect the collection of the tax imposed under
14 this chapter or the money deposited in the entertainment facility
15 public infrastructure fund, as long as the principal of or interest on
16 any bonds, or the lease rentals due under any lease, are unpaid.

C
o
p
y

